

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT
OF KIRKSVILLE WATER ASSOCIATION

) CASE NO.
) 2008-00183

ORDER

On May 23, 2008, Kirksville Water Association ("Kirksville Water") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Kirksville Water purchases water from Richmond Utilities ("Richmond Utilities").
2. On May 23, 2008, Richmond Utilities notified Kirksville Water that, effective July 1, 2008, its wholesale rate to Kirksville Water would increase from \$2.02 per 100 cubic feet of water to \$2.08 per 100 cubic feet.
3. Kirksville Water proposes a purchased water adjustment factor of \$0.10 per 1,000 gallons for its customers, effective July 1, 2008.
4. On June 9, 2008, Kirksville Water sought to amend its Application and include an additional increase from Richmond Utilities as a result of the Kentucky River Authority increasing its withdrawal fee on April 1, 2008. Due to the requirements of 807 KAR 5:068, Section 1, two increases from the same supplier may not be processed

¹ KRS 278.012 and 807 KAR 5:068.

in the same application. The requested amendment will be processed in Case No. 2008-00214.²

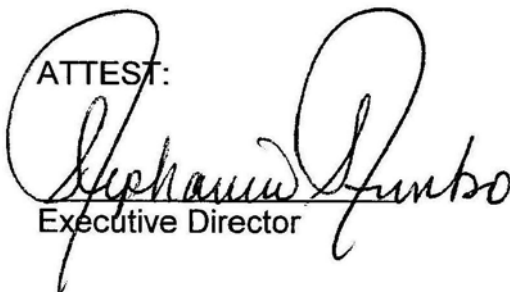
5. The purchased water adjustment factor of \$0.10 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. Kirksville Water's proposed rates are approved.
2. The purchased water adjustment factor of \$0.10 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates set forth in Appendix B are fair, just, and reasonable and are approved for service that Kirksville renders on or after July 1, 2008.
4. Within 20 days of the date of this Order, Kirksville Water shall file with the Commission revised tariff sheets setting forth the rates approved herein.

Done at Frankfort, Kentucky, this 16th day of June, 2008.

By the Commission

ATTEST:

Executive Director

² Case No. 2008-00214, Purchased Water Adjustment of Kirksville Water Association.

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00183 DATED JUNE 16, 2008

	New Rate	Base Rate
Kirksville Water		
Purchases in cubic feet	16,252,400	16,252,400
Volumetric rate	<u>\$ 2.08/100</u>	<u>\$ 2.02/100</u>
	\$ 338,049.92	\$ 328,298.48

Increased water cost \$9,751.44

Increased water cost	\$ 9,751.44
Divided by gallons sold	<u>103,278,127</u>
Purchased water adjustment factor	\$ 0.10 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00183 DATED JUNE 16, 2008

The following rates and charges are prescribed for the customers in the area served by Kirksville Water Association. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RATES

Monthly Water Rates

First	2,000 gallons	16.68 per 1,000 gallons
Next	3,000 gallons	8.02 per 1,000 gallons
Next	5,000 gallons	6.68 per 1,000 gallons
Over	10,000 gallons	5.57 per 1,000 gallons